

LETTER

FROM

WILLIAM A. STOKES,

OF WESTMORELAND COUNTY,

TO

HON. JOHN CRESWELL, JR.,

SPEAKER OF THE SENATE OF PENNSYLVANIA,

ON THE SUBJECT OF THE

TONNAGE TAX

ON FREIGHT CARRIED OVER THE PENNSYLVANIA RAILROAD

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L E T T E R.

HON. JOHN CRESWELL, JR.,

Speaker of the Senate of Pennsylvania.

DEAR SIR—As chief of the first branch of the legislature of the Commonwealth, I beg to address to you, and through you, to all candid members of the legislature, some brief considerations on the subject of the tonnage tax on the Pennsylvania Railroad. Inasmuch as every citizen is bound to obey the law, every citizen has the right to speak to those who make the law, and I need not, therefore, apologize for addressing you on a great question of public policy.

The Atlantic slope of the United States is separated from the valley of the Mississippi by the Apalachian Mountains, a natural boundary better defined than those which divide some of the independent nations of Europe. Two generations ago, some wise men thought that a substantial union between these several parts could not be long-continued, and in others, ambitious projects were based on the supposed discordant interests of the East and the West. In fact, they presented marked con-

trasts in the most material particulars—climate, soil, productions, channels of communication, origin of the inhabitants, customs, manners, language, laws.

MR. JEFFERSON'S far-reaching wisdom, removed, by the purchase of Louisiana, the chief source of *political* discordance; but the barriers erected by nature still remained.

Speedy settlement of the West would probably have been fatal to the unity of the Republic. Fortunately, the unfitness of the French and Spaniards for rapid colonizing of the country, combined with minor causes, delayed the improvement of the lands drained by the Mississippi and its tributaries, until time had developed a surplus population in the East, which sought the rich alluvial and limestone soils of the West, and infused its own restless and resistless energy into the slumbering colonists whom they found scattered on the margins of the streams. These emigrants carried also to their new homes recollections of those which they had left, and all the wholesome prejudices of their early training. The ties of birth and breeding, undivested by change of residence, impelled them to desire, to contrive, and finally to accomplish means of communication easier, cheaper, and speedier than the pack-horse, slowly and painfully toiling ten to twenty miles a day over the rude paths which were called, according to their width, trails or roads.

So, also, with land owners and explorers. They saw the boundless treasures of the virgin soil, anticipated the time when this profuse bounty of Providence would become available for man, and predicted the mighty empire—now millions on millions and still but in infancy—de-

stined to supplant the ferocious savage and the contented Frenchman.

But all knew and said that there must be *roads* across the mountains. The highways of a country are sure tests of its civilization, and measure its progress as a thermometer indicates temperature. The history of the roads across the Alleghenies is the history of the prosperity of the people. In the great and beneficent work of opening these means of intercourse, States and citizens cordially concurred. No short-sighted selfishness threw obstruction in the way. Bounties were offered. Taxes were not dreamed of. He who could have been bold enough to propose levying a duty on freight would have been scouted as a public enemy. The policy of PENNSYLVANIA especially, indicated the wisdom of her founders. In the first quarter of the present century, she subscribed vast sums of money to turnpikes leading to the West. Her FRANKLINS, MORRIS, CLYMERS, M'KEANS—all the fathers of her freedom, founders of her greatness—had passed away before the barbarous contrivance of taxing civilization by a tonnage duty was ventured on.

The differences between the savage and the citizen arise from, or tend towards, separation of individuals. The former lives by himself and for himself. Sole despot of his solitary family, he knows no community of interest or action, except as sometimes impelled by hunger in the chase or by passion in war. His wants are few, because his knowledge is limited. He needs, for his infrequent travel, only the sun, the stars, the course of

streams, to guide his steps. Roads and intercourse are inconsistent with his wild independence. Improving on the slow process of taxation as means of impairing efficacy, he would at once destroy what he disapproves, and banish road-makers as intolerable nuisances. This is the *absolute* reign of ignorance and selfishness.

When the ring of the wood-chopper's axe resounds through the forest, the first blow has been struck for intelligence and intercourse. The work proceeds, houses and barns appear, fields and pastures teem with grain and cattle, schools and churches are built, towns and cities spring up. During all this, another process has been going on, at once dependent upon and aiding the progress of man from his lowest to his highest condition—*creation of means of intercourse*—building bridges, making roads, &c.

Without these facilities there cannot be ready communications, which are essential to social combination, without which, concentration of effort is impossible. All refinement results from this union of many, in their several parts, for the comfort and convenience of all.

Is it not plain that what obstructs freedom of intercourse retards the progress of society?

What more efficient ally can the lawless savage have than a government which makes laws to restrain human intercourse?

Is this the tendency of the law of Pennsylvania which imposes on freight carried over the Pennsylvania Railroad a duty of three mills per ton per mile?

That such a burthen *is* imposed by the Commonwealth

is itself an answer to the question, and an answer humiliating to every true-hearted Pennsylvanian who has seriously considered the subject.

Let us now candidly look *the facts* in the face ; discarding prejudice, seeking to know the true interests of our people, above all, jealous of the honor of the Commonwealth, our good old mother, on whose bosom we have been nurtured, and who has a right to our fidelity.

As early as 1784, GENERAL WASHINGTON wrote to Governor Harrison, in anticipation of the trade of the West and the competition for it: "A people who are possessed of a spirit of commerce, who see and will pursue their advantages, may achieve almost anything. In the mean time, under the uncertainty of these undertakings, they are smoothing the roads and paving the way for the trade of the western world. That New York will do the same, no person who knows the temper, genius, and policy of these people can harbor the smallest doubt. Common policy, therefore, points clearly and strongly to the propriety of our enjoying all the advantages which nature and our local situation afford us, and clearly evinces that unless this spirit could be totally eradicated in other States as well as this, and every man be made to become either a cultivator of the land or a manufacturer of such articles as are prompted by necessity, such stimulus should be employed as will force this spirit by showing to our countrymen the superior advan-

tages we possess beyond others, and the importance of being upon an equal footing with our neighbors."

Time developed this predicted rivalry of our northern neighbors. The completion of the Erie Canal gave New York such supremacy, that Pennsylvania was compelled, in self-defence, to enter on a large scale, upon the construction of canals, and subsequently of railroads. Thus our State debt expanded to forty millions.

Our canals, *free from taxation*, lost for the State, many millions of money, while competing with those of New York for the commerce of the West; as is evident from the fact that the State debt continually increased, while the very year after the Main Line was sold, it began to decrease. The disadvantage of political management was common to both States; and as our officers were not less honest and competent than theirs, the loss on the canals is to be imputed to the fact that the rates of toll were so low as to be unremunerative. Notwithstanding this, the policy which projected and executed these works was sound. Public credit developed the internal resources of the commonwealth, and secured her position as a trading and manufacturing community. To accomplish this gigantic result private capital was then incompetent. The evil of the State entering on commercial enterprise was tolerated, rather than incur the impending and greater evil of loss of commercial equality or ascendancy.

The acts for a canal destroyed the value of stock in competing turnpike lines, and the commonwealth lost large amounts which had been thus invested.

As turnpikes were partially supplanted by canals, after a while canals were still more injuriously affected by railroads.

The Erie and Central and the Baltimore and Ohio railroads were begun, and again the alternative was presented to Pennsylvania of surrendering her material prosperity, or of constructing a railroad, competent to meet the ardent rivalry of New York on the north and Maryland on the south.

By this time, from causes over which I throw the charity of silence, our people were heartily sick of all public works of improvement by the commonwealth. To pass a bill through the Legislature for making a State railroad from Philadelphia to Pittsburg was impossible. The extremity was admitted to be embarrassing—some considered it desperate.

For extrication from this difficulty we are indebted chiefly to the mingled pride and patriotism, of many citizens in various parts of the State, of almost every condition of life, and to the prudent counsels of the city and districts of Philadelphia, and the county of Allegheny. These persons and corporations subscribed enough to commence, and, by the subsequent aid of loans, to complete the Pennsylvania Railroad.

In the charter a serious error was committed. It contained a clause taxing all freight carried over the road; and this, notwithstanding the Pennsylvania canals had always been operated at a sacrifice of money, was the charter, which, carried away by instant desire and expecting speedy relief from the Legislature, was accepted by the projectors of the enterprise.

These expectations have not been realized ; to this day intervention of the State, impairing the power of the company effectually to fulfil the chief object of its creation, continues.

It was said that the tonnage tax was imposed to protect the canals. But it could only effect this by increasing the expense of transportation by railroad to a rate exceeding that on the canals ; thus defeating the very object for which the railroad was made. The laws of trade are absolute and selfish. No man would use either the canals or railroad, unless it was his interest, and, if legislative encumbrance, compelled charges greater than those on other available lines, those lines would alone be employed. Those who had no alternative—our own people on the line of transport—would be compelled customers, but merchants and others from the West, who had a choice, would go where they were best and most cheaply served. The necessities of the commonwealth, protection of property, her dignity, supremacy, legislation, could not move the trader, who had an eye single to his own service, and cared no more for one transporter than another—negro porter or sovereign state, he considered them alike as common carriers.

But we need not pursue this topic, for all argument drawn from the canals, ended when they were sold.

The reasoning then, if sound before, had, logically, a reverse application. If the object of the tax on the railroad was to protect the canals, when the canals no longer needed protection, the tax should cease, because the rea-

son for its imposition had ceased. Especially is this view sound in this case, inasmuch as the railroad company having purchased the canals, they could not need protection against themselves, and the canals and railroads, having now a common owner, a tax on one was a tax on both, and thus, what was pretended to have been originally imposed as a virtual premium to the canal, became ultimately an actual burthen on it.

The legislature which directed the sale of the main line of the public works, recognized this view by providing, that if the Pennsylvania Railroad Company became the purchasers, they should, under certain contingencies, be forever discharged and freed from the tonnage tax and all other taxes, with certain specified exceptions. The Supreme Court held that this was too broad, inasmuch as it amounted to alienation of State sovereignty, and was void as a contract to bind future legislatures. But the legislative declaration of public policy, and of what justice to the company demanded, was complete, and thus the company purchased the canals and connecting railroads. An implied moral obligation therefore rests on the legislature to carry out, to the extent of their power, the intentions of their predecessors of 1857, by repealing this tonnage tax, unless in doing so they would clearly violate their duty to their constituents.

Few laws affecting large interests are passed except from different and often discordant motives. This case illustrates this truth. For, while protection of the canal was the ostensible, and with some the real motive, for

imposing tax on the railroad freight, it was but the specious seduction of a false pretence, the result chiefly of Baltimore hostility to Pennsylvania interests. It will be recollected that during the session of 1846 the legislature was distracted by the attempt to procure for the Baltimore and Ohio Railroad, part of which was then in operation and the rest in process of construction, the right of way, through the southwestern section of Pennsylvania, for a branch of that road from Cumberland to Pittsburg. This, and the project of our own road, were rivals in the legislature, and, extraordinary as it may seem, the same Senate and House of Representatives which chartered the Pennsylvania Railroad Company also gave full corporate rights to the Maryland company in our territory—imposed a tax on the freight business of the former of *five* mills, and upon the latter of *three* mills per ton per mile. It is true that the five mill tax was to be paid only from the 10th of March to the 1st December of every year; but this was more than compensated for in the fact that the tax on the foreign road was only from Cumberland to Pittsburg, while that on the domestic road was for its entire length. During nearly nine months in the year the result would be thus:—

On the <i>Pennsylvania</i> * and Harrisburg and Lancaster roads, from Dillerville to Pittsburg, a ton of freight was charged for 284 miles, at five mills per mile,	\$1 42
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* On the Pennsylvania road proper, 248 miles, \$1 24; on the Harrisburg and Lancaster road, 29 miles, \$0 18.

On the <i>Maryland</i> road, from Cumberland to Pittsburg, a ton of freight was charged for say, 150 miles, at three mills per mile, .	\$.45
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Difference on each ton of freight in favor of the Maryland route, caused by Pennsylvania laws,	\$.97
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On the 21st of April, 1846, when the Baltimore act was approved, Harrisburg resounded with the boisterous acclamations of the Marylanders, who, aided by the mistaken views of some of our own citizens, had laid this great Commonwealth at the feet of a comparatively feeble power. It was exultingly proclaimed that now our western fields, mines, forests, our rivers and the lakes were all a commercial part of Maryland, and that the products and people of that region were tributary to the growing greatness of a rival, superior in enterprise and energy. They forgot an element of Pennsylvania character, never obtrusive, but never wanting when demanded; solid, steady strength of will, which, once aroused, moves with silent effectiveness; sometimes slow, but always sure to accomplish its work.

The obstructions placed on our own Company failed of their object. The stock was subscribed and the road was built, through the heart of Pennsylvania, notwithstanding this combined opposition. Should a burthen thus imposed be continued?

What is the true interest of Pennsylvania on this subject?

States, equally with individuals, are bound by the moral code; neither can violate it with impunity. The greatest glory of government is to do JUSTICE to all men. The founders of Pennsylvania have received the homage of the world, because truth and justice reigned supreme in all their acts. On this soil, consecrated by Penn to virtue, it is needless to demonstrate that justice is the infallible test of interest. Our early prosperity proved that in nations, as in individuals, honesty is the best policy.

Justice supposes EQUALITY before the law; uniform protection of the citizen by the State, uniform contributions by the citizen to the State, perfect impartiality on the one side and cheerful obedience on the other side. These duties—protection, impartiality, contribution, obedience, are reciprocal, each the consideration of another, all constituting a harmonious whole.

If, therefore, the tonnage tax is unequal, it is unjust. If it is unjust, the State, by continuing it, violates its duty, by disregarding the fundamental basis of all legitimate legislation.

There are many railroads, canals, turnpikes, plank roads, and common roads in Pennsylvania. On no one of them, except that from Pittsburg to Lancaster, is any special tax imposed. Many of them have been recipients of the bounty of the State; none but that mentioned has burthens imposed upon it.

Whether the tonnage duty falls on the producer, the consumer, or the transporter, it is a duty paid only on this single line. As it is paid by no other line, this road,

which is taxed, is not on an equality with those other lines which are not taxed. It is the special and single instance of departure from a general policy. It is the laying of a burthen, grievous to be borne, because exceptional, discriminative, and adverse.

If it comes out of the treasury of *the Company*, it may be asked whether the State should depend for revenue upon a corporation created for other purposes; whether the State should impose a virtual penalty for the doing of that, to promote the common prosperity, which she herself was unable or unwilling to do, though its necessity was admitted; whether it is fair to take from the stockholders of the Company, who have already lost, at the present market value of the shares, sixteen per cent. of their cash investments, other sums, involving further loss?

If the tax is paid by the *consumer*, the inquiry arises, whether it is the interest of the people to pay what is, in effect, an *excise duty* on the products of the soil, the mines, the manufactures, on what they eat and wear.

If the *producer* is the victim, he may complain that what makes the public wealth, should be selected for invidious discrimination; that he, on whom rests the feeding and clothing of others, should pay for the privilege of performing these essential functions.

How can Pennsylvania ask for protection of her industry, by discriminating foreign tariff, when she imposes

special domestic taxes on all transporters, farmers, manufacturers, miners, producers, consumers, carriers of almost every class, who use the chief channel of communication traversing her territory from the east to the west? Let her do justice before she asks for favors.

Let us briefly consider the position of each of these three classes.

Vulgar vituperation of the Company, disgraceful only to the miserable demagogues who resort to it, I do not condescend to refute.

But what is this Corporation?

It is not an imaginary myth, or metaphysical abstraction, or fabulous monster, but an association, bound together by law, for a vast and beneficent public object. The associators are the six hundred thousand people of Philadelphia, several insurance companies, mutual benefit societies, churches, cemeteries, charitable institutions, thousands of our fellow-citizens, merchants, manufacturers, farmers, laborers, women and children, widows and orphans.

But the *Company* is not the chief subject of injury, for it has, measurably, the power of self-protection. It can put up its local rates to the full legal limit, and thus altogether avoid the loss of the tax, by placing it *all* on its local customers, in the shape of increased charges for freight. That this has not been done evinces the moderation of its management, the fidelity of the directors to

the interests of the Commonwealth, and liberality unprecedented.

In fact, the tonnage duty operates injuriously to the *consumer*, either by increasing the cost to him of all articles carried over the road, by compelling the freight to pay the tax, or by diminishing the supply in the market, of articles which cannot afford to bear this imposition.

This argument addresses itself with peculiar force to Philadelphia. This city invested five millions in this road, and one of the chief objects was that her people might enjoy, at cheap prices, the surplus products of the superabundant West. The State steps in and forbids this. She diminishes the supply and increases the expense. The citizen, man or woman, rich or poor, who buys a barrel of flour must pay, 1st, its home value; 2d, the actual cost of transport; 3d, a tax to the Commonwealth; 4th, the extra price consequent on withholding from the market that portion of produce which cannot afford to pay the tonnage duty. Thus, of four items, which go to make up the actual cost to the consumer, two are the result of an artificial political intervention, in violation of the universally received principles of social economy. The third item, the tax itself, amounts on a barrel of flour carried from Pittsburg to Philadelphia to nine and a half cents. The fourth item is not susceptible of arithmetical calculation. But, considering the vast and luxuriant grain-growing and stock-raising States of the Northwest, and their independent choice of the

taxed road of Pennsylvania and the free roads of New York and Maryland, and the continually accumulating cost of carriage as distance increases, it may be fairly assumed that the enhanced value from diminished supply is at least equal to the direct tax. This makes an aggregate needless charge on each barrel of flour used in Philadelphia of nineteen cents.

Flour is used as a convenient illustration, but the same views apply, of course, to all the taxed business of the railroad.

The effect is precisely the same as the French *octroi*, against which every American who goes to Paris, vindicates his republicanism, by denunciation of the tyranny which, at the gates of the city, levies a duty on the necessities of life. Our democratic exaction is worse than the imperial tribute, not only because we ought to know better and can afford to be honest, but because it is general, while the latter is confined to articles of food. LOUIS NAPOLEON could learn from us a new lesson of tyranny—the indiscriminate impartiality of universal extortion, not only on food, but also on clothing, fuel, everything, whether necessary for human sustenance or comfortable for human enjoyment.

Still more onerous is this tax on the *producer*. I refer now only to the Pennsylvania farmers, miners, iron-masters, manufacturers; of those, within our own borders, who till the ground, or extract its hidden treasures, or give increased value by labor to raw material. Over these, at least, there should be no license of oppression.

They obey the laws, support the government, are our brethren, bone of our bone and flesh of our flesh. Yet I undertake now to demonstrate that on every one of these most useful citizens who lives west of Dauphin County, and sends his produce either east or west, or sells it to any one who ships it on the Pennsylvania Railroad, a tax, unjust, because unequal, is levied by the legislation of the State.

I speak plainly on this point, because, being myself a western man and a farmer, I know and feel, from costly experience, the invidious degradation to which we are subjected by this tonnage tax. We all expect to raise more on our farms than we consume. We look to the superfluous products, for the comforts of life, for reasonable indulgence in the amenities of society, for decent breeding of our children. Our citizens have a right to this, for their land is good, the climate is healthy, and they work hard.

But this superfluous produce, to be available, must find purchasers, and, as there are few purchasers at home, we must seek a distant market. The course of trade is eastward. Commonly, we sell what we can spare, and buy what we need in Philadelphia. Sometimes we do this ourselves directly, sometimes indirectly, by the medium of dealers to whom we sell, and storekeepers from whom we buy. But it is all the same, in effect, because on all alike this tonnage tax is laid.

Surely we are not unreasonable in declaring that we expect to get just the price of the eastern markets for our produce after deducting the expenses, and that we are just

as much worse off than we have a right to be in proportion as these expenses are greater than they ought to be. Our lands in the West are fairly worth as much less than lands east of the mountains as the difference of the cost of transport of the various products to the markets of the eastern cities may indicate. We must expect to be as much poorer than if living in the East as is the legitimate cost of getting to market greater than in the East. But if the State steps in and forces us to pay a tax on our crops, which is not paid by people generally, and thereby makes a difference between us and our fellow-citizens elsewhere, it is unfair, and is still more unfair if it be a tax laid on us, *because* we are very far from markets, and are, for that reason itself, necessarily and naturally compelled to pay a price for carriage of our crops to these markets, from a great part of which people in the East are exempt, because they are nearer to Philadelphia.

This is exactly what is done by the tonnage tax, by which every ton of freight which goes over the Pennsylvania Railroad has to pay more than one dollar into the State Treasury. This *we* have to pay and we who use this railroad *alone* have to pay. The people everywhere, (we alone excepted) who transport on any other railroad or by canal, turnpike or any other mode of conveyance, throughout the State, are free from any such charge. Almost every county in the State has some public improvement, and all persons send their property on these improvements for whatever the cost of the freight alone is. But the people of the western counties have to

pay, besides the freight, this tax, which no one else has to pay.

On every bushel of wheat we sell, the State steps in and levies $2\frac{7}{10}$ cents—for she will not allow us to send it over the railroad without paying this, and we cannot get our wheat to market except by the railroad. The State therefore really makes this distinction, that the man who lives in Lancaster or other eastern counties, may send his wheat to Philadelphia, and after paying the expenses of carriage only, put all he sells it for in his pocket. The man who lives in Westmoreland or other western county cannot do this without paying the State for the privilege. Why should our wheat be taxed $2\frac{7}{10}$ cents a bushel if the Lancaster raised wheat goes free?

If there was to be a favor shown, ought it not to be towards those who need it most? and do not those most need who, by distance from market, are obliged, under any circumstances, to go to the greatest expense before they can turn their crops into money?

In Lancaster County when wheat was worth one dollar a bushel, it was only worth half a dollar here. The State wants $2\frac{7}{10}$ cents from every bushel of *somebody's* wheat, and actually chooses to take it from those who have the half dollar wheat, letting the dollar man go scot free. However prices may change, the rule is just the same—whoever gets a good price and can afford to pay something, pays nothing. Whoever happens to live where distance enhances cost and makes the home price low—that is the man who gets a bad price—must pay all that is paid.

Here we have been, until lately, for many years, almost

cut off from a good market; while in the east, the northeast and southeast they have had this advantage. The reason was plain. They had railroads, and we had none. Our money helped to build the Columbia Railroad and all the State Improvements, which have run us in debt forty millions of dollars. At last we managed to get a road of our own. Then some "wise man from the East" undertakes to say that although we have waited so long, and labored under such disadvantages, and suffered such odium, and paid so much money, and all without any good whatever to us, that before we shall use this road, that is at last built, we shall pay a special, exclusive, discriminative, hostile, and odious tax, that was never thought of before, and that nobody else pays now.

And when we petition for its repeal, and ask to be put on an equality—republican fashion—with our fellow citizens in the east, we are told that to relieve us from this tax will "lessen the revenue very seriously." Suppose it does, then we are very seriously oppressed. The greater the injustice, the stronger the argument. The State, forsooth, cannot afford to do without this plunder, because it is so large. Make it twice as large and the reasoning is twice as strong. It is only when the victim of oppression is stripped to the skin that such an argument stops.

In spite of those mistaken men who make such arguments, when our brethren on the other side of the mountains understand how unfairly we are taxed, they will repudiate such barefaced reasons for such barefaced acts, and will do us justice. Why don't we all look at these matters *for ourselves*? If we *had* we should not now have every

acre of our land mortgaged to pay the forty millions of State debt, with a large part of which we were wantonly saddled by the past proceedings of petty politicians at Harrisburg.

We want no special privileges, but we will not bear special extortions. We ask no favors, but we demand our rights. The money which the Commonwealth requires ought to come from all men alike, or in proportion to their property; and as a Western man gets no more protection than others, he ought not to pay more for it. We know that what the citizen gives the State is for the protection which the State gives the citizen. This being the real object for which this government was formed, the moment our rulers go beyond this they usurp powers, never delegated to them, and become tyrants. At first we may not see this evil, because all wrongs begin in a small way—a mere speck of corruption, which expands by its own malignity, until the whole political body becomes a rank mass of rottenness. We ought therefore to root out these evils as soon as we see them.

Western Pennsylvania produce has to pay a tax to the State not only of nearly one dollar a ton, but, by operation of a law of inflexible necessity, far more than this, as will be shown. By Western produce is meant not only that which is raised this side of the mountains but all west of Harrisburg, that is, all along and surrounding or connected, in any way, with the Pennsylvania Railroad—among which may be named the Counties of Allegheny,

Washington, Beaver, Butler, Westmoreland, Lawrence, Armstrong, Fayette, Somerset, Indiana, Jefferson, Clearfield, Cambria, Bedford, Blair, Huntingdon, Mifflin, Juniata, Centre, Perry, and Dauphin.

The State tax is on every pound of freight carried over the road for a distance of more than twenty miles. Of course it is *laid* on all the *through* freight as well as the other, but it is not *paid* by the through freight; so that while Pennsylvanians are taxed, citizens of other States are not taxed. It is *laid* on the Foreign freight because the law is in general terms, but it is *paid* only by Domestic freight, because even the self-assumed omnipotence of the Legislature cannot repeal the laws of trade. There are, as has been already stated, great rival lines of railroad both north and south of this road, and shippers *out of Pennsylvania* may choose between them. The merchant in Boston, New York or Baltimore—the trader, planter and stock-drover of Ohio, Indiana, Illinois, Michigan, Missouri, Kentucky, Tennessee, Alabama, &c. &c., has his *choice* between the New York, the Maryland and the Pennsylvania railroads, and he will be sure to choose that road which does his business *cheapest*. The States of Maryland and New York, so far from laying any taxes on their roads, do all they can to aid them, and there is no tonnage tax whatever, on the contrary, they have given them millions of dollars. Of course, if the Pennsylvania Railroad charged the foreign freight with the tax and compelled its payment by increasing the rates for transport, they could not expect to get any of it, because strangers, independent in their selection of routes, and governed only by their own inter-

ests would not willingly pay this road *more* than they could get their business done for on the other and rival roads. Competition compels the Pennsylvania Railroad either to abandon the through business or to do it as cheaply as roads which are not taxed. Thus as they cannot charge their *foreign* customers with the tax, and as *somebody* must pay it, it necessarily comes off of the *domestic* shippers; for the burthens that are laid on the road are necessarily paid by the shippers on the road, or the consumers of the freight, as the company's means of payment are derived solely from their business. If the foreign freight cannot be made to pay any part of the tax, the domestic freight must pay it *all*—not only what properly belongs to it, but also what would be paid by the foreign freight, if the State or the company had the power to make it pay, which they have not.

It really makes less difference to the company than to any one else, because they can keep within the bounds prescribed by their charter for the rates of charges and do business much cheaper than any one on the line of road, and yet charge the local freight high enough to make it pay the State tax on *all* freight, local and through. They not only *may* do this, but they measurably *must* do it, or abandon all through business and thus cut the throat of Pennsylvania commerce, which they assuredly will not do, and no one would desire.

* The farmer having thus paid a double tax for the privilege of selling the results of his toil, his wheat, oats, corn, rye, hogs, horses, and cattle, and having sold them and put the money in his pocket, will either buy

molasses, sugar, coffee, tea, cloth, muslin, hardware, &c., and pay another double duty to take them home, or he will bring his money home and buy these articles from the country storekeeper, who, of course, charges him, besides ordinary profit, with the tax which has been already paid on the goods and has enhanced their nominal, though not their real, value, to the precise extent of this extra expense. Thus a double tax is paid both ways. It is not simply a duty of three mills per mile, but a duty each way of twice this amount; in fact, the State by this operation forbids the farmer to realize the results of his labor, unless on payment to her of four ingeniously contrived extortions, amounting together to twelve mills per ton per mile, and being in effect a deduction of 38 cents from the available value of every barrel of flour, and in proportion for all other products.

What is true in respect to the farming interest is equally true in regard to all the interests within the sphere of the malignant influence of this tax.

The same rigid rule applies to all the industrial classes, and all groan alike under this common oppression. There is community of suffering and there should be unity of resistance—resistance within the law and by the law—for any attempt otherwise to remedy a wrong is to commit a greater wrong—the greatest wrong—violation of the republican virtue of obedience, on which rests all free government.

Having thus proved the inequality of this tax, and considered its effect on transporters, consumers, and pro-

ducers, we recur to the general question, perhaps already sufficiently, though but partially, answered—What is the true interest of Pennsylvania?

No reasonable man will deny that the public burthens ought to bear a just proportion to the means of those on whom they are imposed. Income taxes should be graduated by wealth; taxes on property should be regulated by its value. To charge land in Elk County, worth only one dollar per acre, with the same tax as land in Philadelphia County, worth one thousand dollars an acre, would be universally admitted injustice. It would be confiscation of the former and immunity to the latter. To compel him who has an income of one hundred dollars, to pay as much as one having an income of one hundred thousand dollars, would be revolting to the sense of right. Either would, in effect, introduce into the State the condition of France in the reign of LOUIS XVI., where, through partial exemption from taxation of the aristocracy, lay and clerical, the burthens of government chiefly fell upon those least able to bear them. This unjust discrimination led to the Revolution, as it ought and as it will in any country cursed with such a system, and unable otherwise to break these oligarchal bonds.

To the extent to which it operates, this very thing is done by the tonnage tax, for there is no discrimination arising from difference of value. A ton of silver and a ton of iron pay the same duty. It is either too little for the former or too much for the latter. As the most useful commodities are most bulky and weighty, and articles of luxury are generally the least so, this tax is effective

chiefly on the necessities of life, and, by consequence, it is most oppressive to the poor.

It is impolitic, therefore, not only in itself, but because of its adverse operation on the merchandise and the men least able to endure its pressure. Directed mainly against our domestic products, it is not, nor could it have been, designed by its secret contrivers or innocent dupes to be a fair measure either of revenue or protection. Nothing but the explanation, already given, of how it came to be laid, will account for its violation of the plainest principles of political economy.

The only real means of securing public prosperity is by industrious development of natural resources. The great instruments of material progress are agriculture, mines, manufactures, and commerce, each amply possessed by Pennsylvania.

Here nature has lavished, with generous profusion, her richest gifts, concentrating, in high degree, every source of individual prosperity and national wealth. Here is an EMPIRE, complete within itself, self-sustaining, independent; a country equally adapted for agriculture, manufactures, and commerce, abounding in mineral treasures; a climate neither warm enough to enervate, nor so cold as to prevent all cultivation suited to a temperate region; commanding alike the communications of the Atlantic and the Mississippi; inhabited by patriotic, industrious, and virtuous citizens.

Such a country and such a people are worthy of the most enlightened legislation.

Taxes on trade, obstruction of intercourse, discourage-

ment to industry, intrusion by government into private interests, legislative meddling in individual enterprise, all formerly universal, have been almost everywhere abolished, because proved by experience to be of most mischievous tendency, paralyzing the citizen, and thereby damaging the state.

The independent man is always the most powerful, because, each person being the best judge of his own interest, untrammelled effort must be most effective. A nation is but an aggregation of individuals; wherefore, what promotes the prosperity of each, secures the prosperity of all. It has been shown that the tonnage tax does interfere with individual industry, preventing realization of its legitimate reward; that it enhances the cost of the necessities of life; that it retards production, and diminishes the fair fruits of labor, operating thus to the double disadvantage of producers and consumers. It follows that this private detriment is public loss, and therefore inconsistent with enlightened legislation, the ruling idea of which is FREEDOM, both political and personal.

If this were the oppression of a few, it would be impolitic and unjust; but affecting, as it does, directly or indirectly, about one-half of the entire population of the Commonwealth, the wrong is monstrously magnified in extent, though not in species.

This species of wrong is, of all others, the most wanton and mischievous; for, as intercourse is at once the chief cause and consequence of civilization, obstruction of intercourse strikes at the highest and dearest interests of the human race. That imposts on transport tend to diminish

exchange of commodities cannot be disputed. This is what Pennsylvania does by the tonnage tax, and in this respect, therefore, her laws inflict deep disgrace on her legislators, and enormous evils on her people.

This taxation has not even the selfish excuse that it is levied on strangers, or that it is commercial hostility to foreigners, or that it is for protection against competition from abroad. It is directed against our own citizens, violates commercial axioms, protects only rival routes through other States, stabs the vitals of domestic prosperity.

Numerous other arguments press upon me, but I will not now trouble you with them, for this letter is already too long. I am reluctantly compelled abruptly to conclude.

It is possible that I may take the liberty of again addressing you, for there is no subject which more deeply concerns the honor and interest of the State, none which more imperatively demands fair discussion, and candid examination. On this question there is, at present, decided diversity of opinion, but time will develop the sound sense of our honest people, and extricate us from all difficulty. Meantime, let us be tolerant of difference of views, for we are all brethren of the same political family, and have equal concern in the prosperity of Pennsylvania.

Very truly,

Your friend,

WILL. A. STOKES.

LUDWICK, WESTMORELAND Co., PA.,

February 9, 1859.



